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Virgin Galactic delays commercial service from Spaceport America until 2023

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LAS CRUCES - [Spaceport America](#)'s anchor tenant announced a new delay in beginning its commercial operations this week, saying labor gaps and supply chain problems would push plans into 2023.

Virgin Galactic announced its first-quarter earnings for 2022 on Thursday. CEO Michael Colglazier said the company was "developing our future fleet, investing in digital manufacturing technologies, and building out our commercial strategy to deliver a consumer experience like no other."

In 2021, Virgin Galactic launched two crewed test flights of its space plane, the VSS Unity, from New Mexico's spaceport in Sierra County. The second of these, in July, [included founder Richard Branson](#) among the crew.

Read: [Spaceport America seeks \\$2M budget increase from lawmakers next year](#)

Since that flight, the company postponed a planned flight with members of the Italian Air Force and began a nine-month "enhancement program" servicing the Unity as well as the aircraft that carries it to a high altitude before Unity engages its rocket

motor.



Virgin Galactic also cooperated with [a brief Federal Aviation Administration investigation](#) into a course deviation during its July 2021 mission.

With its air- and spacecraft grounded for extended maintenance, the company reported a \$93 million net loss for the first quarter, lower than its \$130 million loss in the first quarter of 2021.

The company still had cash reserves, plus proceeds from convertible debt, to fund operations and capital spending on building its fleet for commercial flights to space. It said it was also making progress on location manufacturing facilities and vendors for its fleet.

It was, however, another earnings report of net financial losses amid delays to commercial service from New Mexico's taxpayer-funded spaceport.





The company [opened ticket sales](#), at a price of \$450,000 per passenger, in February. On Thursday it reported 800 reservations had been made. Some 600 of those were previously committed at prices between \$200,000 and \$250,000, according to earlier reports.

Colglazier said earlier in the year the company's target was to hold 1,000 reservations — which are currently secured with \$150,000 deposits — for the start of regular commercial service.

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That was previously projected to happen late in 2022. Now, regular commercial service won't happen until at least the first quarter of 2023, although it plans a test flight of the VSS Unity before the end of 2022.

Spaceport America, constructed with an initial \$220 million in

taxpayer funds, reports that 60 percent of its revenue is derived from leases and fees with a number of tenants and customers.



Besides Virgin Galactic, spaceport tenants include UP Aerospace, SpinLaunch and HAPSMobile/Aerovironment in addition to aerospace customers that make use of its launch facilities. An additional tenant, thought to be British aerial vehicle developer Prismatic Ltd., has reportedly executed an operations agreement and contracted [to build a new hangar at the spaceport](#), but neither Spaceport America or the company have directly confirmed the relationship.

It also hosts the annual [Spaceport America Cup](#) international rocketry competition, which will take place this year in June.

Algernon D'Ammassa can be reached at 575-541-5451, adammassa@lcsun-news.com or [@AlgernonWrites](#) on Twitter.

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